

AMENDMENT TO THE CLAIMS:

Please cancel claims 1-56, and add new Claims 57-75 as follows. Claims 57-75 remain for prosecution.

Claims 1-56 (canceled)

Claim 57 (new): A computer-implemented method of reducing risk in a payment-based transaction wherein payment is made from an account holder to a Counterparty using a payment bank system operated by a payment bank, the method comprising the steps of:

receiving at least one user-supplied risk parameter associated with the Counterparty;

receiving a first instruction authorizing payment from the account holder to the Counterparty;

storing the first instruction in a payment queue;

during processing of the payment transaction, performing a risk filter routine that determines whether to selectively reject payment authorized by the first instruction based upon the at least one user-supplied risk parameter associated with the Counterparty;

wherein the risk filter routine includes the steps of:

generating an available balance for the Counterparty based upon the at least one user-supplied risk parameter, payments made by the account holder, and payments received by the account holder;

reading the first instruction from the payment queue of the payment bank system; and

determining whether to selectively reject payment authorized by the first instruction based upon the available balance;

wherein the first instruction is returned to the payment queue for later re-evaluation in the event that the amount of payment authorized by the first instruction exceeds the available balance.

Claim 58 (new): The computer-implemented method of claim 57, further comprising the step of: generating the at least one user-supplied risk parameter on a user system and communicating the at least one user-supplied risk parameter to the risk filter routine.

Claim 59 (new): The computer-implemented method of claim 57, wherein payment authorized by the first instruction is rejected in the event that the amount of payment authorized by the first instruction exceeds the available balance.

Claim 60 (new): The computer-implemented method of claim 57, wherein the available balance is computed over a given time period based upon payments made by the account holder in the given time period and payments received by the account holder in the given time period.

Claim 61 (new): The computer-implemented method of claim 60, further comprising the steps of:

- receiving user-supplied updates to the at least one user-supplied risk parameter; and
- updating the available balance to reflect such user-supplied updates.

Claim 62 (new): The computer-implemented method of claim 61, further comprising the steps of: generating the user-supplied updates on a user system and communicating the user-supplied updates to the risk filter routine.

Claim 63 (new): The computer-implemented method of claim 60, further comprising the steps of:

- receiving updates to payments made by the account holder in the given time period; and
- receiving updates to payments received by the account holder in the given time period;

and

- updating the available balance to reflect such updates.

Claim 64 (new): The computer-implemented method of claim 63, wherein updates to payments made by the account holder and updates to payments received by the account holder are received through data interchange with existing payments confirmation services.

Claim 65 (new): The computer-implemented method of claim 60, further comprising the step of receiving user-supplied updates to the at least one user-supplied risk parameter for use in the risk filter routine.

Claim 66 (new): The computer-implemented method of claim 65, further comprising the steps of: generating the user-supplied updates on a user system and communicating the user-supplied updates to the risk filter routine.

Claim 67 (new): The computer-implemented method of claim 57, wherein the risk routine is executed by a module integrated into the payment bank system.

Claim 68 (new): The computer-implemented method of claim 57, wherein the risk filter routine is executed by a module that communicates to the payment bank system via an application-to-application interface which translates data formats between the module and the payment bank system.

Claim 69 (new): The computer-implemented method of claim 67, wherein the at least one user-supplied risk parameter is generated on a user system and communicated to a central server, which stores the at least one user-supplied risk parameter in a data server and forwards the at least one user-supplied risk parameter to the module integrated into the payment bank system that executes the risk filter routine.

Claim 70 (new): The computer-implemented method of claim 57 wherein said risk filter routine cooperates with other payment processing operated by said payment bank to determine whether to selectively reject payment authorized by the first instruction.

Claim 71 (new): The computer-implemented method of claim 57, wherein the risk filter routine cooperates with a domestic payment system operated by said payment bank, such that the first instruction is filtered by said risk filter routine for compliance with a risk profile generated from the at least one user-supplied risk parameter.

Claim 72 (new): The computer-implemented method of claim 57, wherein the risk filter routine controls the flow of payment messages from the payment queue to a domestic payment system for clearance.

Claim 73 (new): The computer-implemented method of claim 57, wherein the first instruction comprises a S.W.I.F.T. payment transaction.

Claim 74 (new): The computer-implemented method of claim 64, wherein updates to the payments made by the Counterparty and updates to payments received by the Counterparty comprise S.W.I.F.T. messages.

Claim 75 (new): The computer-implemented method of claim 57, wherein the risk filter routine interoperates with a plurality of payment channels for any given currency.